



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

Remarks of Ambassador Bleich at the John Curtin Prime Ministerial Library, Perth

(As prepared for delivery – August 8, 2011)

Thank you for that very kind introduction. It is an honor to deliver the 13th annual John Curtin Prime Ministerial Library Anniversary Lecture, and even more so to have been introduced by my friend, the Honorable Paul Keating, former Prime Minister of Australia and Patron of this beautiful library. I'm honored by the presence of so many distinguished Australians, including members of Prime Minister Curtin's family. I'm also please to have members of my own American family – my wife Becky and my father-in-law David Pratt. As we say in the U.S. "beside every successful man is a very surprised father-in-law."

Today we pay tribute to John Curtin and to leaders like Paul Keating, not merely because they led others during difficult times, but because of how they led. They had vision. And vision for this new century is what I would like to address today.

Just two months after John Curtin became Prime Minister, the Japanese attacked Pearl Harbor and full-scale war broke out in the Pacific. In the tumultuous time that followed, Curtin did what good leaders do. He provided sound, energetic leadership that his nation needed. But, he did more than just reassure. In ordinary times, leaders take their people where they already planned to go. But challenging times often call for leaders to demand something more from us. Great leaders take people not necessarily where they want to go, but where they ought to be. John Curtin was such a leader. He wasn't interested in doing the easy thing; even in crisis—especially in crisis—we looked beyond the immediate challenges and passions of the day to prepare Australia for the future.

When faced with the advancing Japanese threat, Prime Minister Curtin stood at a cross-roads. He understood that the British Empire could no longer guarantee Australia's security. What had worked in the past was no longer effective. So Curtin sought support from the United States. At the time, he was met with outrage from traditionalists at home and the ire of Winston Churchill himself – who was particularly good at "ire." But only weeks after Pearl Harbor, and facing waves of fear and hostility, he spoke with courage, clarity, and conviction. He said:



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

“Without any inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pang as to our traditional links of kinship with the United Kingdom.”

In turning to the United States, Curtin defied convention, ensured Australia’s freedom in the short-term, and initiated an enduring alliance which has brought about unimagined long-term benefits to both this country and to my own.

Historian John Edwards summed it up best by saying: Curtin’s “enduring achievement was not saving Australia from Japan but in creating modern postwar Australia.” This is the hallmark of great statesmen: looking beyond the moment to see the future needs of their countries.

I have witnessed the same courage and conviction and clarity in the leadership of Paul Keating. He faced different challenges: an unprecedented budget deficit, a recession, and dramatically shifting events in the Asia-Pacific. He too responded with unflinching vision and uncommon candor. In the midst of a recession where the normal instinct of politicians is to blame their predecessors and forces beyond their control, Keating did what great leaders do. He described the recession as the “recession Australia needed to have.” He understood – as my friend Rahm Emanuel has said -- that a crisis is a terrible thing to waste. And he articulated a vision for a more secure financial future with a floating currency, a national superannuation system, and expanded trade and engagement throughout the burgeoning Asia-Pacific. These transformations have endowed Australia’s economy today with an enviable strength and resilience.

Like Curtin he was not afraid to speak inconvenient truths, or to address criticism and critics head on. You know where you stand with Paul Keating, because he lets you know. There is no ambiguity in terms like “scumbag,” “mangy maggot,” or “foul-mouthed grub.” I still don’t know exactly what a “stunned mullet” is, but I’m quite sure that I don’t want to be called one.

The challenge of great leadership today – just as in Prime Minister Curtin’s and Prime Minister Keating’s time -- is once again to lead people in directions that they may not necessarily want to go, but where we ought to go. And that brings us to today.

Next month we’ll celebrate the 60th anniversary of the signing of the ANZUS Treaty. At that time, many will reflect on the great military partnership that ended a war and helped establish the world’s largest zone of peace across and around a vast ocean. Together we have calmed the Pacific, taken our economies to unimagined heights, and led world organizations in securing 65 years without a world war. But the challenge and meaning of national security is changing rapidly in this young century. Fortunately for us, ANZUS reflects more than just a mutual commitment to cooperate in wartime. It is a



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

document that marries our fortunes together. We are committed to addressing all of the challenges we face together as nations – strategic, economic, political, and environmental.

Once again we find ourselves facing a crucial set of crossroads. We have gotten better at managing nation-against-nation conflicts. But new and different forms of threat have emerged, which are not nation-against-nation, but are nature-against-nation and criminal-network-against-nation. Just as in Curtin's time, what worked in the past will no longer achieve the desired results.

If we do not begin addressing them today, we face a challenge to our long-term security greater than any single nation poses. Just as past Presidents and Prime Ministers have done before, we need to look beyond just the headlines, to begin solving tomorrow's problems today.

Nature Against Nation

The first challenge – nature against nation -- concerns our natural resources -- our ability to produce and provide enough water, food, and energy to meet the demands of a rapidly growing industrialized world. If we make the wrong choices or make no choices, then there is a good chance that we will face a future clouded by geopolitical chaos -- riots, mass migration, environmental destruction, and regional instability.

The challenge arises from the great events that are occurring right around us -- the dynamic growth here in the Asia-Pacific. The world's population has nearly tripled since 1950 – from 2.5 billion to nearly 7 billion today. We've added a billion people in just the past 12 years. And we are expected to add more than 2 billion more by 2050, much of it here in Asia.

More important than the raw increase in numbers of people is how these people will live. As economies improve, the per capita incomes of these next generations will improve as well. They will demand the same things we expect – bigger homes, cars, plasma tvs, supermarkets, ipads. Middle classes will demand more energy per person; they will consume more water per person; and they will expect higher quality food as well as higher-input food products, such as meat. With these twin pressures of population growth and rising incomes, the U.N. estimates that the demand for food, energy, and water will rise much faster than the population. We expect food demand to rise by 70 percent by 2050.

Now my point is not that our nations need to resist or stop this growth; it is that as leaders, we need to help the world prepare for this dramatic shift or we will all suffer. The good news is that societies are adaptable. Two hundred years ago, Thomas Malthus



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

predicted that our species was already doomed. He wrote, “the period when the number of men surpasses their means of subsistence has long since arrived.” Turns out, that in the two centuries since Malthus announced that the world was already over-populated and would soon fall into massive hunger, misery and vice, the world population has increased more than 7 fold and per capita food consumption has actually increased.

So, it’s unlikely - given that history - that we’ll face some Malthusian catastrophe in the decades ahead if we recognize and address the challenge. But to feed, hydrate, and power all of those people is different this time. It will require early and unprecedented investment, a new level of cooperation, and a sharing of vision across borders beyond what our world has previously achieved. If we simply continue doing what we are doing, we will not have adequate food, water, or energy.

So how do we change this? When growing up, one of my mentors asked me: “How do you eat an elephant?” The answer: “One bite at a time.” I’d add that it helps if you have lots of people eating with you. Solving these problems will take lots of small actions by lots of people. The challenge of leadership will be to getting those of us in comfortable nations to take action when the looming crisis is not yet obvious, and to invest in things that are not obviously about scarcity, at least at first glance.

Let me give you some examples. Several of the things we must do to prevent scarcity don’t appear to have any direct connection to putting food or water on the table. For example, we must fight for an open internet because that is an essential tool to solving these problems. How can we possibly convince nations at different stages of development, with different political systems, and different economies, to make sacrifices and investments, and to collaborate on food, water, and energy production, unless we are all working from the same information? We support an open internet because of the intrinsic value of free expression. But we also support a free Internet for straightforward practical reasons – because the Internet is how many people in the 21st century learn facts, debate solutions, and solve problems. Without the free flow of information, people are less likely to see crises coming, or hold their leaders accountable. So an open internet is our engaging people around the world. Everyone on this planet is entitled to their own opinion, but they are not entitled to their own facts. The internet can help ensure that the facts are out there for everyone.

A second not-so-obvious way to address scarcity is through tough anti-corruption measures world-wide. Part of the reason why people face endemic hunger in North Korea today and why there is a famine looming in Somalia is because of corruption. The Democratic People’s Republic of Korea has placed defying Security Council resolutions and developing nuclear weapons ahead of feeding its own people. Corrupt officials in



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

Somalia have taken money intended for aid and development and used it to buy arms and to pay off political allies. Preventing corruption is a critical piece of avoiding scarcity.

The Looming Food Shortage

But supporting the internet and stopping corruption are things we want to do. There are other things that we need to do that will be difficult. Let me start with food. The challenge is this: there are only three ways to increase agricultural production. First, devote more land to agriculture. Second, increase yields by applying inputs such as fertilizer and pesticides. And third, improve the efficiency of farming and food delivery by adopting new technologies or practices. Over the past 50 years, we've relied largely on the first two factors – more land and more fertilizers and pesticides. They've contributed over one-half of the average annual growth in agricultural output. But there's only so much land, and there's only so much food the land will yield. This trend of using more to produce more is untenable for the next 50 years.

So we are going to need to make two significant changes. First, we'll need to help change technologies and farming practices around the world. There is tremendous waste in every part of the process of producing food. There is water waste in current farming practices that can be addressed with drip irrigation. There is soil waste -- tillage practices can preserve valuable top soil. And most of all there is transportation waste. About a third of all food produced never makes it to the consumer. The farmer doesn't have roads or equipment to get the food to market. Or the methods of storage or refrigeration mean that the food rots before it gets to the consumer. So we need to modernize every part of the food chain around the world, to get more crops to market with less spoilage and more accountability.

Second, we'll need to promote more efficient food sources. The earth simply cannot provide for billions and billions of people to eat the way Americans and Australians currently do. As a devoted carnivore and lover of processed foods – particularly Big Macs, I don't expect this change to be easy. This year, President Obama launched a program called "Feed the Future," which among other things, is designed to help promote more nutritious and efficient foods. In some cases it comes down to fortifying foods: right now we're working to feed more with less with foods like naturally fortified bananas and rice. This won't be easy, but great challenges never are.

Water Scarcity

Now let me talk about water. Water is another, in some ways even more important, challenge. Already, over a billion people lack adequate water. Given current consumption rates in less than 15 years that number will triple. By 2050, we would need nine more healthy Murray Rivers at full annual flow just to meet the global water



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

shortage. This is not a problem only here in the world's driest continent. And it is not news. We've seen it coming for years.

The biggest challenge with water, as with food, is changing how we think about it. In the U.S., water costs about \$1.50 for every 1,000 gallons. We think of it in the same way as we think of air – as virtually free and unlimited. All of us waste water, in countries rich and poor, wet and dry. From the Middle East to the North China Plain to my own home state of California, divisive politics and bad policies have prevented the efficient and equitable use of our most valuable natural resource. But droughts here and in California have had a wonderful capacity to focus the mind.

And we now see a water crisis looming across the planet. Eighteen months ago, Secretary Clinton highlighted the importance of water security as a "global imperative." World Bank President Robert Zoellick, who is also in Perth this week, announced that this is a priority for the World Bank. And late last year when I met with the American ambassadors from around the Asia-Pacific region, we agreed that this was one of our greatest diplomatic and developmental challenges.

Out of necessity, Australia is on the cutting edge of some of these efforts. A lot of the solutions are already familiar to you. On the supply side, we need to create more water through desalination and other technologies like the electrodialysis that GE is doing out here. Another way to increase supply would be to re-use grey water and other non-potable forms of water.

On the demand side, we need to get other nations to adopt practices that are employed here and in California, like outdoor water restrictions, water-saving devices like dual-flush toilets, smart grids, and establishing an appropriate price for water.

But the biggest challenge with water is going to be changing how people think. I'll give you an example. I currently have a blackberry in my pocket. It has a phone in it, a clock, an alarm, and other features. But I still have a landline, a number of wrist watches, and an alarm clock. I don't need any of these, but I've always used them and I can't imagine living without them. But if we are going to make sure that we have enough water, we're going to have to get out of our comfortable habits and confront the real challenges of water scarcity – including changing how we produce, deliver, consume, and price water.

Energy Security

Finally, there is the issue of establishing a secure energy future. Let me give just a few facts and figures on this. Today, over 1.6 billion people still live without electricity. That's 23 percent of the world's population. Overwhelmingly, they live in the least developed countries, and they will need electricity to achieve sustainable economic



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

development. In other nations and nations that are rapidly industrializing, the per-capita demand for energy continues to increase. No one knows this better than the people here in Australia who are experiencing unprecedented demand for brown coal, coking coal, and for iron ore and other commodities so that people can build things that will require even more energy.

The subject of how we produce energy is always contentious. Everyone seems to have their preferred fuel source and they don't want to hear about other sources. And so the debate too often stagnates. But at some level we all know the following facts are true:

- (1) First, there is a finite amount of oil in the ground. Ultimately it will be exhausted. But all of our transportation systems – cars, trucks, airplanes, ships -- run principally if not entirely on oil products. This is unsustainable. At some point we need to develop alternatives to power these essential products, or else prices and conflicts and shortages will escalate as we approach that day when we run out.
- (2) Second, being dependent on oil makes nations like ours vulnerable. To the extent that a nation can use energy sources that they already have – sources like wind, solar, hydro, and biofuels – rather than oil, the less vulnerable we are to the politics or pressures of oil-producing nations.
- (3) Third, our current energy supplies are hurting our health and environment compared to alternatives. Carbon is a big problem. But the risk comes from much more than excess carbon emissions, it also comes from other byproducts like sulfur dioxide, nitrogen dioxide, lead, soot, and other particulates. Anyone who has spent time in Beijing or Mexico City knows what I'm saying and has felt this in their own lungs.

So leadership requires us to confront the facts; we need to use less oil and coal and much more of these other energy sources. On this topic, where it is so easy to simply criticize rather than act, we have to get it right. The one thing on which there is clear agreement is that we cannot do nothing.

On the demand side, the U.S. has stepped up its regulation of power plants, demanded higher efficiency standards for automobiles and light trucks, and imposed new building codes that demand energy efficiency, at the same time that our states are adopting smart grids and other innovations.

On the supply side, the U.S. has invested over \$90 billion in incentives to produce clean sustainable energy supplies. Here's one example: two years ago, the U.S. produced 2 percent of the batteries for electric vehicles. By 2015, we'll produce 40% of them. Next year we will double the energy produced by solar energy and three years after that we'll double it again. President Obama has laid out a goal of generating 80 percent of



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

America's electricity from renewable, nuclear, and clean gas and coal by 2035. This will be a tough effort – special interests and lobbies are already fighting hard against every one of these innovations. But our future depends upon us not losing our nerve, no matter how many setbacks we encounter.

In short, just as John Curtin understood in the national security context, and just as Paul Keating understood in the economic context, we must understand today in the resource context: the old systems for producing food, water, and energy that have served us so well are not sufficient for the future. The solutions again are out there. What we need is the courage to embrace them.

Network versus Nation

This brings me now to the second set of 21st Century challenges -- networks versus nations.

Now, before I begin this part, I should explain that one of my few rules as Ambassador has been to never speak for more than 15 minutes. I am well aware of the example of U.S. President William Henry Harrison. He gave the longest inaugural address in American history – forcing everyone to stand out there with him for nearly two hours long – in cold, wet Washington. And he immediately caught a cold and died less than a month later from pneumonia. So it's not a good model. I am making an exception tonight to the 15-minute rule in deference to Prime Minister Curtin's legacy because the Curtin lecture is a full lecture. But now would be a good moment to cough, shake out your arms, and be grateful that we're in warm weather and indoors.

Now let me address networks-against-nations. By this, I mean first the attacks on -- and invasions of -- cyber networks. Cyberspace is a new frontier that operates without borders, but it has just as much capacity to destabilize our nations as a physical invasion. Second, I mean criminal networks – terrorist groups and transnational cartels – that also operate without borders or allegiances to destabilize governments and victimize people.

a. Cyber Networks

Let's start with cyberspace. Every part of our society now depends upon the security of cyberspace. Our financial systems, our media, our communications, our weapons, our water supplies, our electrical grids, our command and control, everything – absolutely everything – depends upon cyberspace being secure. We all know the good that the internet does. While it is not a necessity of life per se, it is impossible to thrive in today's interconnected world without the internet. But the things we need most are the things that make us most vulnerable. Our reliance on the internet makes us vulnerable in



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

unprecedented ways and it presents a new challenge for us to defend ourselves in a new and uncharted dimension.

To illustrate the risks posed by our growing reliance on cyberspace, we do not need to look much further than the past two years. First, consider governments. Google reported systematic hacking of U.S. Government officials' email accounts. Here in Australia, the email systems of senior ministers were hacked and potentially compromised. In England, people working for the media, hacked the phones of multiple government figures -- members of parliament, the royal family, and military members. The IMF system was hacked. The Spanish National Police, Turkish government websites, Malaysian government websites -- all hacked.

Look at the commercial world. Just think of all the stories from the U.S. this year alone of attacks on Mastercard, Paypal, Visa, PostFinance, RSA, Sony Playstation, Fox Networks, Citigroup, Lockheed Martin, PBS, Google, Nintendo. Security and data breaches cost U.S. companies nearly \$96 billion dollars in just the first six months of this year alone. And we all know that the same is true here in Australia. Remember the cyber attacks on Rio Tinto in the wake of the failed Chinalco deal?

We also know this from our own lives. Almost two-thirds of people worldwide have been victims of cybercrime. A growing array of state and non-state actors are compromising, stealing, changing, or destroying information.

Our leaders are used to fighting to protect us in the land, in the air, and on the seas. Cyberspace is no less real a place than the physical world. And so we need to protect it just as we do any physical space to ensure it is just, peaceful, and sustainable. Again, this is going to require the kind of trust and cooperation that nations are reluctant to enter into. Just as Paul Keating had to convince people that free trade protected business better than protectionism, we need to convince people that sharing information about cyber security is the best way to protect information in cyberspace.

First, we need to work with private partners to help prevent attacks and intrusions. And we need to educate everyone on-line about how to operate safely. To stop crime in cyber, we'll need the same approaches we use to discourage crime in the real world.

Second, we need to work with international partners to protect our shared cyberspace. We must continue to uphold the principles of free speech and association, privacy, and the free flow of information even while we're moving toward greater global cyber security. This is why the U.S. has been working with partners around the world to establish norms for how states behave in cyberspace.



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

The U.S.A. And Australia are joining 46 other nations in acceding to the Council of Europe Convention on Cybercrime. This instrument is an important tool in bringing cybercriminals to justice.

Third, our nations governments need to be structured to deal with the challenges of cyber. Last year, I attended the opening of Australia's Cyber Operations Center in Canberra, which is a critical new step. We've done the same thing in the U.S., where we now have a cybersecurity coordinator and special advisor to the President, a State Department Coordinator for Cyber Issues, and a full cyber-command.

Just last month the attorneys-general of the United States, Australia, the UK, Canada, and New Zealand met here in Australia to share information on cyber security and cyber espionage threats. We need to broaden this consensus on how to combat cyber crime. Conferences such as the one sponsored recently here in Perth by the Kokoda Foundation help; because we all want a world safely connected by technology. We all want the chance to connect.

b. Criminal Network v. Nation

Finally, one last cross-roads. We are at a cross-roads in terms of our military readiness. When John Curtin served as Australia's Prime Minister, war meant conflict between two countries or two groups of countries. Battles were between clearly-defined enemies in military uniforms and, often, the fighting took place on a battlefield. In the 21st century, we have seen a real shift away from that type of warfare. The very nature of conflict has changed. Today our greatest security threats come from shadow entities that seldom wear uniforms and rarely, if ever, choose to meet us on a defined battlefield. They target civilians far more than they do military objectives. Their purposes vary – some wish to bring down governments, some wish to destroy cultures, and some just want money and power.

This new form of warfare today pits a network of people against a nation. This presents unprecedented challenges. Even identifying the networks which threaten us can be difficult, as they are often diverse and exist and operate in a grey area between official government entity and guerrilla fighter.

In a conflict of non-state actor versus nation, civilians bear the worst of it. In the past 50 years, civilians have been 10 times more likely to be killed in a conflict than soldiers according to the International Committee of the Red Cross. When a terrorist network attacked the United States ten years ago on September 11th, its principal target was two commercial office buildings; the Bali bombing in 2002 that killed 88 Australians targeted two nightclubs. More Australians were killed at the 2005 Bali bombings that targeted a restaurant and a beach resort.



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

What is also true is that when a nation is waging war against a network, it is difficult to fight without putting civilians at risk. Networks do not have military installations and facilities. They embed themselves in residential areas. Look at Osama Bin Ladin's hide-out – it was in a suburb of Islamabad, surrounded by residential homes. How can we most effectively fight a group of individuals who refuse to distinguish themselves from the general population? And while we're doing this, how do we make sure that we're fully respecting international law and protecting innocent human life?

As more and more wars are fought between networks of people scattered throughout countries and continents, our chief concern is how to best protect the civilian populations.

The first step is to build a world with more friends and fewer enemies. Again, this will take more trust than we are used to extending. We need to work better with other nations that might turn a blind eye to terrorists, and enlist them in our international effort to eliminate terror. As Pakistan has learned, there are not good terrorists and bad terrorists. Even if terrorists share your goals, the tactics of terror are corrosive and destructive to any society. All terrorists are bad.

Second, we need to share information better with our friends – again, a difficult trust challenge. The best way to stop terror is to identify terrorists early and interrupt their plots. We can do this only if our nations coordinate better in sharing information.

Third, we need to adapt our warfare technology. Beyond our traditional systems, we need new systems, like remotely piloted aircraft, that can be used to gather concrete intelligence information – about the networks' training camps, locations of leaders and such – allowing us to better distinguish between combatants and the civilian population.

Ultimately though, just as the great navies of the world have had to move away from battleships and embrace a new approach for a new kind of sea warfare, we in the West need to acknowledge that asymmetric warfare is going to be far more common than conventional war, and we need public commitment to meet those new challenges.

Conclusion

Let me conclude here. It has been 60 years since the U.S. and Australia formally married our fortunes together. Our strength has been in taking a longer view of national security, rather than simply focusing on preventing an attack tomorrow, or next week, or even next year. We have never been content to react to the world as it is. And today, once again, we must have a clear notion of the world we want to live in, and then work to build that world.



Ambassador Jeffrey L. Bleich – JCPML Anniversary Lecture

Fascism is no longer the greatest threat to our way of life. We are challenged more by water or food shortages with the potential to dislocate thousands or millions of people. We are challenged to ensure that we always can access the fuel supplies that power our nations, and to use fuels that do not destroy jobs, or threaten our health and existence. We are challenged by the fact that terrorists and the tools of terrorism can circle the planet as quickly as a plane flight, and computer viruses can circle the planet in a blink of an eye. These are the great challenges of our era. While there will doubtless be others that crop up, it is clear that how we respond to at least these challenges will largely define the 21st Century.

The solution begins with leadership. In 1923, John Curtin described an English community organizer named Tom Mann as a man who had the ability to cast “bright lights on the otherwise darkened highway.”

That is the challenge of leadership, and that is the example that John Curtin set for us. Let us hope and pray that we have the courage, the conviction, and the commitment to do as he did -- to feed and power our people, to make cyberspace safe and peaceful, and to halt the forces of terror.

Together, Americans and Australians defeated the forces of fascism, put a man on the moon, ended a cold war, built two of the greatest economies in human history, helped raise millions of people out of poverty, and created the greatest friendship among two nations ever witnessed in international relations. In short, together we can do anything. We can – and we will – continue the legacy of John Curtin.